



EARN  
7% AER

ON 20%  
OF INITIAL  
INVESTMENT

DEPOSIT  
INTEREST OVER  
12 MONTHS

# BCP SPLIT DEPOSIT ABSOLUTE RETURN BOND 12

**20% INVESTED IN A 12 MONTH HIGH YIELD DEPOSIT ACCOUNT**

**PAYING A FIXED DEPOSIT RATE OF 7% AER**

**80% INVESTED IN A 6 YEAR ABSOLUTE RETURN BOND**

- A capital secure, actively managed, Absolute Return Bond that aims to achieve consistent, positive returns
- **75%** Participation in the Fund Performance
- **97%** Capital Security provided at maturity by Investec Bank plc (Irish Branch)
- Growth Version also available with **100%** Participation
- Investment Term 6 years
- Early Exit Option at 3rd Anniversary (Capital security does not apply)
- **Closing Date 12th March 2015**
- Minimum Investment €20,000



**BCP SERVING INVESTORS FOR OVER 45 YEARS**

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# BCP SPLIT DEPOSIT ABSOLUTE RETURN BOND 12

This innovative bond offers investors a two tier investment package. 20% is placed in a 12 month fixed high yield deposit account which assures investors of a 7% gain (7% AER). 80% is invested in a 6 year 97% capital secure Absolute Return Bond.

The BCP Absolute Return Bond is a unique investment opportunity offering investors access to the performance of a fund which has a proven track record since 1989 of producing positive investment returns in different market cycles, with the additional benefit of 97% capital security provided by Investec Bank plc (Irish Branch). The Bond will pay investors a return linked to the Performance of the Carmignac Patrimoine Fund ("the Fund") over the 6 year investment Term. There is no limit to the maximum return that can be earned from the Bond.

## ABSOLUTE RETURN BOND - INVESTMENT RATIONALE

The BCP Absolute Return Bond is an investment that aims to produce consistently positive returns, regardless of the investment environment. The BCP Absolute Return Bond provides access to an investment that was traditionally limited to only the largest of investors. Reasons for investing in the BCP Absolute Return Bond include the following:

- The Bond provides diversification from traditional investment classes like equities and property.
- The Bond targets positive investment returns regardless of equity market conditions, and the underlying Fund has a proven record during one of the toughest bear markets on record (see chart right).
- Underlying Fund Manager, Carmignac Gestion, has received numerous investment awards in 2008, 2009, 2010, 2011, 2012 and 2013 (Source: Carmignac Gestion).

## CARMIGNAC PATRIMOINE (WEALTH PROTECTION)

This international equity and bond Fund invests across a wide range of global financial markets. The objective of the Fund is to achieve steady absolute return through active management without regard to benchmarks, sectors, asset type or stock size. In order to reduce fluctuations in performance, a minimum of 50% of assets is permanently invested in fixed income and/or money market instruments.

Carmignac Patrimoine is a diversified fund that uses three performance drivers: international bonds, international equities and currencies. This provides multiple layers of diversification and potential returns. As well as capital appreciation on the assets held, any dividends received from equities, coupons received from bonds or interest from cash deposits are all included in the investment return for investors.

### CARMIGNAC GESTION

- Circa €50.4 Billion Assets Under Management.
- Net assets of €1.7bn.
- Over 200 employees.

### CARMIGNAC PATRIMOINE FUND (A) EUR

- Diversified Absolute Return Fund.
- Excellent Track Record.

(Source: Carmignac Gestion)

- Compound Annual Return of 8.7% over the last 25 years.
- The Fund invests globally in Equities and Fixed Income.
- Non-benchmarked, active management seeking regular performance and protection of invested capital.
- 25 years experience both of bond markets and equity markets.
- Fixed Income Portfolio: minimum 50% of the Asset Allocation. Includes Government and Corporate Bonds as well as money market instruments.
- Equity portfolio: between 0% and maximum 50% of the portfolio.
- Emerging market equities and bonds: maximum 25% respectively.

## PERFORMANCE FEES

If at the end of the 6 year Term the Gross Return of the Investment Bond is 22% or greater, then a Performance Fee of 1% will be deducted from the Gross Return and paid to BCP in respect of that version. If you encash part/all of your investment at the 3 year Early Exit Date and the gross return of the Investment Bond is 11% or greater, then a Performance Fee of 0.5% will be deducted from the Gross Return and paid to BCP in respect of that version.

## EARLY EXIT OPTION

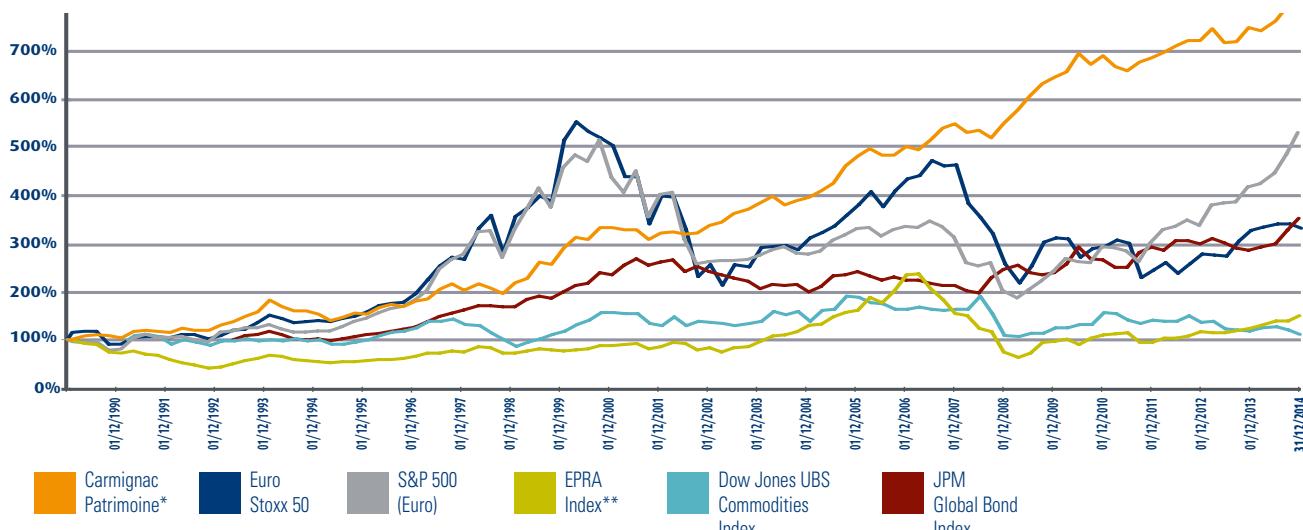
BCP has negotiated an early exit facility whereby you may encash up to 100% of your remaining investment on the 3rd anniversary of the Bond at its realisable value, subject to a minimum of €10,000. Capital security will not apply to this encashment. The realisable value of the capital withdrawal may be more or less than the remaining capital secure amount, depending on whether the growth earned by the Investment Bond is greater or less than the early exit break costs.

**WARNING:** If you encash at the 3 year Early Exit Date, capital security will not apply to the portion of your investment being encashed. The encashment amount may be more or less than the remaining capital secure amount.

UNDERLYING FUND HAS RETURNED A COMPOUND ANNUAL RETURN OF 8.7% SINCE NOVEMBER 1989

## PAST PERFORMANCE OF CARMIGNAC PATRIMOINE FUND

### CUMULATIVE PERFORMANCE



Source: Bloomberg, Carmignac Gestion. Performance figures are net of all fees, transaction costs and gross of taxation

\* From November 1989 to 31st December 2014 . \*\* Index composed of the most heavily traded European real estate stocks

- **Average 6 year Fund return:** + 69%
- **Best 6 year Fund return:** +141% (08/03/1995 - 08/03/2001)
- **Worst 6 year Fund return:** +30% (06/11/2007 - 06/11/2013)
- **Recent 6 year return (at 31/12/2014):** +48% for the Carmignac Patrimoine – (A) EUR

Investors have two Bond Versions to choose from within this structure. These have been designed to cater for varying risk and return requirements of individual investors:

### BCP SPLIT DEPOSIT ABSOLUTE RETURN BOND 12

This innovative bond offers investors a two tier investment package. 20% is placed in a 12 month fixed high yield deposit account which assures investors of a 7% gain (7% AER). 80% is invested in a 6 year capital secure Absolute Return Bond. At the end of the 6 year Term, the Absolute Return Bond will pay 97% of the remaining capital invested, along with 75% of the Performance achieved by the Carmignac Patrimoine Fund over the investment term. If the Performance of the Carmignac Patrimoine Fund is 69% over the term of the Bond, the return to investors will be 97% of the remaining capital invested plus 51.8% (69% x 75%) giving a Gross Return of 48.8%. As the 48.8% return in this case is above the Performance Fee hurdle rate of 22%, a 1% Performance Fee will be paid to BCP with a return of 47.8% paid to investors. This is equivalent to 8.0% per annum (CAR 6.7%). Even if the Performance of the Fund is negative over the term of the Bond, 97% of the remaining capital invested will be returned.

### BCP ABSOLUTE RETURN BOND 12 – GROWTH VERSION

Your entire investment is allocated to a 6 year capital secure Absolute Return Bond. At the end of the 6 year Term, the Growth Version will pay 97% of the remaining capital invested plus 100% of the Performance achieved by the Carmignac Patrimoine Fund over the investment term. If the Performance of the Carmignac Patrimoine Fund is 69% over the term of the Bond, the return to investors will be 97% of the remaining capital invested plus 69% (69% x 100%) giving a Gross Return of 66%. As the 66% return in this case is above the Performance Fee hurdle rate of 22%, a 1% Performance Fee will be paid to BCP with a return of 65% paid to investors. This is equivalent to 10.8% per annum (CAR 8.7%). Even if the Performance of the Fund is negative over the term of the Bond, 97% of the remaining capital invested will be returned.

**WARNING:** Past performance is not a reliable guide to future performance.

**WARNING:** These figures are estimates only. They are not a reliable guide to the future performance of this investment.

**WARNING:** The figures above are provided only to illustrate how the Bond works; they should not be taken as an indication of potential returns. The return to you will depend on the version of the Bond you invest in and the actual Performance of the Fund which cannot be predicted in advance.

**WARNING:** The value of your investment may go down as well as up. You may get back less than you invest. If you encash at the 3 year Early Exit Date you may get back less than you invest.

**WARNING:** If you invest in this product you could lose 3% of the money you invest in the Investment Bond portion at maturity.

**WARNING:** If you encash at the 3 year Early Exit Date, capital security will not apply to the portion of your investment being encashed. The encashment amount may be more or less than the remaining capital secure amount.

**WARNING:** If you invest in the BCP Split Deposit Absolute Return Bond 12, you will not have any access to 20% of your money for 12 months and 80% of your money for 3 years and/or 6 years. If you invest in the Growth Version, you will not have any access to your money for 3 years and/or 6 years.

MINIMUM INVESTMENT €20,000 | CLOSING DATE 12<sup>TH</sup> MARCH 2015

# BCP SPLIT DEPOSIT ABSOLUTE RETURN BOND 12

## KEY FEATURES

### HOW DOES THE BCP SPLIT DEPOSIT ABSOLUTE RETURN BOND 12 WORK?

The product producer of the BCP Split Deposit Absolute Return Bond 12 is BCP Asset Management Limited, 71 Upper Leeson Street, Dublin 4.

**BCP SPLIT DEPOSIT ABSOLUTE RETURN BOND 12** | 20% of your investment is placed in a 12 month high yield deposit account. This account matures on 30th March 2016 and will return investor's capital in this portion along with interest of 7% (7% AER). 80% of your investment is allocated to a 6 year Absolute Return Bond with 97% capital security at maturity. At the end of the term, the percentage Performance (gain or loss) of the Fund is calculated. This percentage, if positive, will be multiplied by 75%.

**GROWTH VERSION** | Your entire investment is allocated to a 6 year Absolute Return Bond with 97% capital security at maturity. At the end of the term, the percentage Performance (gain or loss) of the Fund is calculated. This percentage, if positive, will be multiplied by 100% and added to the remaining capital secure amount to determine the Gross Return of the Investment Bond.

**SUITABILITY** | The Bonds are not suitable for investors who require regular income or require access to their capital before the Early Exit Date or maturity. The Bonds are suitable only as capital growth investments. The return on the Investment Bonds will depend on the Performance of the Fund and will only be determined at the end of the term. No withdrawals may be made before the maturity of the High Yield Deposit on 30th March 2016, the Early Exit Date on 3rd April 2018 or maturity of the Investment Bonds on 30th March 2021. Your money is not invested in the Fund, therefore, you do not benefit from any dividends paid by the Fund, but you will benefit from the dividends and income earned within the Fund during the term of the Investment Bonds. In order to protect the performance of the Fund from volatility towards the end of the term, the Final Price will reflect the average price of the Fund on a monthly basis over the final 18 months (19 averaging dates) of the 6 year Term. The effect of averaging is to protect returns in a falling market but conversely it may restrict growth in a rising market. A Performance Fee of 1% will be deducted if the Gross Return of an Investment Bond Version is 22% or higher at maturity. If you encash part/all of your investment at the 3 year Early Exit Date and the gross return of the Investment Bond is 11% or greater, then a Performance Fee of 0.5% will be deducted from the Gross Return and paid to BCP. The Bonds do not suffer exposure to foreign currency hence there will be no currency risk.

**CAPITAL SECURITY** | Capital security is provided by Investec Bank plc (Irish Branch). In the event Investec fails to meet its liabilities, you could lose some or all of your money. Your investment is held in the name of your pension platform provider. As your pension platform provider is the beneficial owner of the assets, it is important to note that this investment is not covered by the UK Financial Services Compensation Scheme (FSCS).

### WHERE DOES MY INVESTMENT IN THE BCP SPLIT DEPOSIT ABSOLUTE RETURN BOND 12 GO?

The paragraph below displays how the investment is structured for a hypothetical €10,000 investor.

#### HIGH YIELD DEPOSIT ACCOUNT (20%)

20% or €2,000 of your investment will be used to secure the promised payment of €2,140 payable after 12 months. This is equivalent to a return of 7% (7% AER).

#### BCP ABSOLUTE RETURN BOND (80%)

80% or €8,000 of your investment is allocated to the Absolute Return Bond. The BCP Absolute Return Bond provides 97% capital security by placing 89.59% or €7,167 of your investment amount on deposit. This amount will grow to 97% or €7,760 by the end of the 6 year Term.

The BCP Absolute Return Bond offers a return of 75% of the positive Performance of the underlying Fund Fund, less the 3% capital at risk less any Performance Fee. 8.38% or €670 of your investment amount will be used to purchase this return. If the Performance of the Fund is negative at the end of the 6 year Term, you will receive 97% of your remaining investment amount. This payment represents a 3% (CAR -0.5%) loss on your remaining investment in this part of the Bond over the period.

BCP will receive a fee of 1.63% or €163 for manufacturing, distributing and administering the Bond, equivalent to 0.33% per annum. As described previously on page 2, a Performance Fee of 1% will be paid to BCP in addition to the fees above if the Gross Return on this version of the Investment Bond is 22% or more at maturity. If you avail of the early exit option after 3 years and the gross return on this version of the Bond is 11% or greater, a Performance Fee of 0.5% will be paid to BCP in addition to the fees above.

Performance Fee of 0.5% will be paid to BCP.

### WHERE DOES MY INVESTMENT IN THE BCP ABSOLUTE RETURN BOND 12 - GROWTH VERSION GO?

The BCP Absolute Return Bond 12 - Growth Version provides 97% capital security by placing 88.82% or €8,882 of your investment amount on deposit. This amount will grow to 97% or €9,700 by the end of the 6 year Term.

The Growth Version offers a return of 100% of the positive Performance of the underlying Fund, less the 3% capital at risk less any Performance Fee. 9.50% or €950 of your investment amount will be used to purchase this return. If the Performance of the Fund is negative at the end of the 6 year Term, you will receive 97% of your remaining capital invested. This payment represents a 3% (CAR -0.5%) loss on your remaining investment over the period.

BCP will receive a fee of 1.68% or €168 for manufacturing, distributing and administering the Bond, equivalent to 0.28% per annum. As described previously on page 2, a Performance Fee of 1% will be paid to BCP in addition to the fees above if the Gross Return on this version of the Bond is 22% or more at maturity. If you avail of the early exit option after 3 years and the gross return on this version of the Bond is 11% or greater, a Performance Fee of 0.5% will be paid to BCP in addition to the fees above.

### DO I HAVE ACCESS TO MY INVESTMENT?

Withdrawals may only be made from the Bond at the end of the 12 month Term for the High Yield Deposit account, on the Early Exit Date (3rd April 2018) or at maturity on 30th March 2021.

You may encash up to 100% of your remaining investment

on the 3rd anniversary of the Bond at its realisable value, subject to a minimum of €10,000. As capital security is provided only at the end of the 6 year Term, the realisable value of the capital withdrawal may be more or less than the remaining capital secure amount, depending on whether the growth earned by the Bond is greater or less than the early exit break costs. BCP will contact you in advance of the 3rd anniversary to provide an indicative exit price. You will have the option to withdraw up to 100% of your remaining investment at its realisable value or to switch your early exit proceeds to a new investment. You have the right to cancel your application for the Bond within two weeks of the date you sign it but no later than the Closing Date. All payments from the Bonds will be paid to the trustees of the plan, or the investing Life Company, as appropriate to be added to your pension benefits.

### WHAT HAPPENS IF I DIE BEFORE THE BOND MATURES?

Where an investment is made on behalf of a self-directed or self administered pension plan, in the event of death of a member prior to the expiry of the terms, the Bonds may be redeemed at its realisable value as determined by BCP based on a calculation by the Bank which may be more or less than the remaining capital secure amount. The proceeds from such redemption will be paid to the trustees of the plan, or the investing Life Company as appropriate.

### WHAT ABOUT TAX?

The Bonds are available to pension platform investors only. Pension platform investors are currently exempt from Deposit Interest Retention Tax. Investors should satisfy themselves in relation to the Revenue reporting requirements and the implications of non-disclosure where required.

